

First Things First

Conflict of Interest Fact Sheet

Legal Requirements:

Under state law (see A.R.S. 8-1193), members of the First Things First statewide board and the 31 Regional Partnership Councils are subject to Arizona's conflict of interest law (see A.R.S. Title 38, Chapter 3, Article 8).

The Department of Administration is required to conduct a public service orientation program for council appointees and employees. Beyond this program, there is no provision in state law for any resources – such as training – to assist the individual in understanding and complying with the provisions of this complex statute.

Training and Support by FTF

Upon appointment, each Regional Council member and/or statewide Board member is required to fill out and sign a Conflict of Interest Disclosure statement.

Training has been provided by the Attorney General's Office to Regional Council members, statewide Board members and their support staff regarding conflict of interest (May 2008). If individuals were unable to attend the training, staff members provided the information at a later date.

Materials used by the Attorney General's Office in providing this training are available to staff and to Regional Council members via staff on the First Things First Intranet.

Staff supporting Regional Councils have received follow-up training by the Attorney General's Office to clarify the application of conflict of interest laws to the specific operations of the Regional Councils (May and September 2009). The next session of follow-up training with staff is scheduled for March 3, 2010.

Written clarification of conflict of interest provisions as they apply to the work of the Regional Councils was provided to council members and staff (September 2009).

An Assistant Attorney General is assigned to First Things First and has an on-site office, should any staff member or Council member wish to discuss a specific conflict of interest situation.

FTF Procedures

Request for Grant Award specifications are not drafted by Regional Council members; they are drafted by the Finance division.

FTF follows the Grant Code provisions (see below) regarding conflict of interest.

FTF staff routinely remind Regional Council members regarding conflict of interest provisions prior to providing any Executive Session materials regarding grant applications, and Council members are required to sign a conflict of interest disclosure statement prior to reviewing grant award recommendations.

Any FTF employee, Regional Council members or Board member may report – either to the Executive Director, the Assistant Director for Regions or the Assistant Attorney General assigned to FTF – any potential conflict of interest issues. FTF leadership then work with Council members and staff to resolve the issue.

Grant Code Provisions to Prevent Conflicts of Interest

Under state law, grants are awarded under a formal competitive process (ARS Sec. 41-2701, et seq.). This process is conducted by the Finance Division.

Applications for Regional Council funding are reviewed and evaluated by a team comprised of FTF staff and community members with appropriate expertise. Often, there is one member of a Regional Partnership Council on the Evaluation Committee. . All Evaluation Committee members and staff involved are required to not only disclose any potential conflict of interest, they must disclose any and all contact of any nature they have with anyone submitting a grant application. (ARS Sec. 41-2705(C)) These statements are maintained in the grant file in the FTF Finance Office.

The Evaluation Committee's award recommendations are provided to the Regional Councils in Executive Session. Any Regional Council member who has a conflict of interest must recuses themselves from all participation. Prior to beginning Executive Session regarding each grant award, Council members are required to sign a form stating they have no conflict and disclosing any contact they have had with a potential grantee.

Regional Councils may only over-ride the recommendation of an evaluation committee if there is substantial justification that the recommendation is inappropriate.

A grantee aggrieved by the award of a grant may appeal the award first to the First Things First Director, and then to the Director of ADOA, who may refer the matter to the Office of Administrative Hearings for independent review.

The ethics laws also specify that a staff member, Regional Council member or Statewide Board member who discloses a conflict of interest may not participate in any way in the administration of the corresponding grant, including monitoring and evaluation of the grantee awarded the contract.